

## Commonwealth of Massachusetts DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Deval L. Patrick, Governor ◆ Timothy P. Murray, Lt. Governor ◆ Aaron Gornstein, Undersecretary

## Reforming the Commonwealth's Public Housing System

## **Questions & Answers**

Question: Does the proposal privatize public housing or allow for conversion of some or most of the housing to market rate?

Answer: **No.** The proposal does not include outsourcing public housing governance, ownership or management to private companies. Regionalizing housing authorities does draw on best practice in the property management industry however RHAs will remain public entities. The legislation creates 6 public housing authorities with regional public governance structures. RHAs will be bound by the Commonwealth's public housing statue and regulations including the laws and regulations that govern eligibility, affordability or local preference and the current prohibition under MGL c. 121B which prohibits the sale of state public housing unless it is replaced.

Question: Will a tenant need to call Boston to get their sink fixed?

Answer: **No.** Daily operations affecting tenants will continue to be addressed by local staff in order to be highly responsive to the tenants and their needs. The 6 RHAs will each consist of one executive director, a professional governing board, regional management staff and local site staff including site managers and maintenance and custodial staff. Local site teams will be managed and supported by the centralized expertise and experienced oversight of the RHAs, thereby increasing the capacity of each site to respond to more complex problems as they arise and approach modernization and maintenance of the assets from more comprehensive and cost effective approach. Let me be very clear, concerns about tenants having to call Boston or another "less than local" office to receive services, get their faucet fixed or have their hallways cleaned are unfounded; local site managers and custodial and maintenance staff will be among the most important in the system and will provide the all-important "local touch" and sensitivity that is essential to successful property management.

Question: Will a local government have any say over the public housing in their community?

Answer: **Yes.** Local support for public housing is invaluable and the bill preserves local control over decisions that matter most to local communities while dramatically improving management and efficiency. Accordingly, the bill creates, in every community that currently has a public housing authority, the option to create a "local housing commission" (see Section 6 of the bill) that would have approval authority over many actions of the RHA in their community, primarily related to the purchase, development or change of use of new land or units, or the disposition of existing land or units. These

are entirely locally-controlled commissions, composed of five community residents appointed solely by the mayor or selectmen – no approval from the state or the regional housing authority is required. If an RHA sought to sell off public housing and if DHCD approved it (contrary to long-standing policy) the local board would have the final approval on any such action. Local control is preserved. In fact, even if no commission is created, the commission's powers are granted by default to the community's planning board. The Administration firmly believes that the strong local-regional partnership the proposal will establish, and the good-will that already exists between local communities and their public housing residents will continue to attract in-kind generosity and local financial support

Question: Aren't you just creating a new layer of bureaucracy?

Answer: **No.** Establishing a regionalized management system does not require creating a new bureaucracy. It involves redefining the duties and responsibilities of some current staff members, but not wholesale lay-offs or hiring. By regionalizing the executive and supervisory staff and back-office functions, the Commonwealth can pay for these essential functions for all public housing at a highly cost effective rate. This regional operating system will produce efficiency and allow for reinvestments into the portfolio by regionalizing key operation functions, including: consolidating general administration functions, regionalizing capital project management practices, utility savings through combined rate negotiation and bulk purchasing, and enhanced technical assistance to maintenance staff.

Question: Why are you punishing everyone for the misdeeds of Chelsea and Medford?

Answer: That is not the intention of this reform. While the misdeeds of the Chelsea and Medford Housing Authorities heightened the public's awareness of the need for reform to address transparency and accountability, this is not the driving reason for the reform. The Patrick-Murray Administration is making this proposal because we have a seventy-year old system that is in need of reform, and we can and must do better in managing this public asset and the public funds that support it. That means using new technologies, employing efficiencies of scale and modern methods to improve services. It means creating a system that ensures local control and guarantees high quality resident services.